

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933

Release No. 11382 / August 5, 2025

SECURITIES EXCHANGE ACT OF 1934

Release No. 103631 / August 5, 2025

ADMINISTRATIVE PROCEEDING

File No. 3-22503

In the Matter of

HUYNH TRAN QUANG DUY
(A/K/A DUY HUYNH)

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 8A OF THE SECURITIES ACT
OF 1933 AND SECTION 21C OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING A
CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Huynh Tran Quang Duy (a/k/a Duy Huynh) (“Huynh” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-And-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934, Making Findings, And Imposing a Cease-And-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

This matter concerns material misrepresentations made by Huynh to investors in the online lending platform Const LLC (d/b/a MyConstant or Constant) ("MyConstant"), and his subsequent misappropriation of investor funds. From approximately September 2020 through November 2022 (the "Relevant Period"), Huynh, MyConstant's founder, sole owner and managing member, falsely represented on MyConstant's website that his company would invest investor funds in a loan matching service (the "Loan Matching Service") that was low-risk, backed by collateral consisting of crypto assets that exceeded the value of the amount loaned, and provide returns of up to 10% per annum. In total, MyConstant raised over \$20 million from over 4,000 investors, the vast majority of whom resided in the United States. During the Relevant Period, Huynh, in contravention of his representations to investors, (a) misappropriated approximately \$415,000 of investor funds through transfers outside the United States for his personal use, and (b) misused investor funds to purchase in personal accounts at least \$11.9 million of the crypto asset TerraUSD ("UST"). Huynh subsequently lost at least \$7,932,720 on his purchase of UST when the price of UST significantly declined in May 2022. While engaging in this conduct, to assure investors of the safety of their funds and to incentivize them to reinvest in MyConstant, Huynh sent summaries to investors that falsely stated that MyConstant had issued loans when he had not done so.

Respondent

1. **Huynh**, age 42, is a dual citizen of the United States and Vietnam. He resided in New York, New York until moving to Ho Chi Minh City, Vietnam during the Relevant Period. Throughout the Relevant Period, Huynh was the founder, sole owner, and managing member of MyConstant. Huynh has never been registered with the Commission in any capacity.

Relevant Entity

2. **MyConstant** is a Delaware limited liability company formed in 2018 with its principal places of business in Riverside, California and Ho Chi Minh City, Vietnam. During the Relevant Period, Huynh was MyConstant's sole owner and had complete control over its business and assets. MyConstant ceased operations in November 2022 and has been inactive since that time.

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Background

A. MyConstant's Loan Matching Service

3. Starting in or around May 2019, Huynh, through MyConstant, began offering the Loan Matching Service to prospective investors. In addition to being the founder, sole owner and managing member of MyConstant, Huynh controlled all aspects of its business, including its loan business, website, advertisements, and all of its bank accounts. Huynh claimed that investors could invest fiat currency that was then pooled and lent by MyConstant to borrowers for various short-term durations and at interest rates ranging from approximately 6% to 10% per annum. Although Huynh and MyConstant claimed that the Loan Matching Service was a form of peer-to-peer lending, the company required investors to consent to the pooling of their investments, and Huynh and MyConstant, in fact, pooled investor funds before lending them to borrowers.

4. Huynh further claimed that for each loan that MyConstant made to a borrower, MyConstant would obtain as collateral crypto assets worth at least 150% of the value of the loaned funds. Specifically, MyConstant represented that “[a]ll lending is backed by cryptocurrencies that are easy to sell if borrowers default.” MyConstant’s Terms of Service also stated that the company allows only “crypto backed loans.”

5. According to MyConstant’s Loan Matching Service Agreement (the “Loan Matching Agreement”), MyConstant received compensation in the form of a “matching fee” that was paid by the borrowers. MyConstant made its Loan Matching Service available to the general public through the company’s website and mobile phone application. Over 4,000 investors invested over \$20 million in the Loan Matching Service.

6. Pursuant to the Loan Matching Agreement, MyConstant’s investors were required to consent to allow MyConstant and Huynh to pool their investment funds for the purpose of making loans. Returns were based on the collective performance of loans made from this pool of investor funds. Huynh, in practice, pooled investor funds before making loans to borrowers. Interest was generated and distributed on a pro rata basis to investors based on Huynh’s management of MyConstant’s loan portfolio. In addition, all Loan Matching Service investors would be negatively affected if MyConstant was unable to operate the platform because only MyConstant knew the identities of the borrowers in MyConstant’s loan portfolio.

B. Huynh and MyConstant Controlled and Managed the Loan Matching Service

7. As discussed below, MyConstant’s investors expected a return based on Huynh’s and MyConstant’s efforts to manage MyConstant’s business and loan portfolio. As MyConstant’s founder, managing member and sole owner, Huynh controlled all aspects of the company and its Loan Matching Service, including how and when to loan investor funds and the representations about the investment. Investors relied on Huynh to select borrowers, collect collateral, make interest payments and complete the repayment of loans already funded.

8. MyConstant’s Loan Matching Agreement underscored this point by requiring investors to “authorize [My]Constant to lend his or her existing funds in their registered

[My]Constant account on his or her behalf.” Moreover, Huynh collected and chose how to allocate and distribute MyConstant investor funds to borrowers. Huynh was also responsible for distributing interest payments to investors. Investors relied on Huynh to monitor borrower delinquencies and, if necessary, liquidate collateral and provide them with the proceeds.

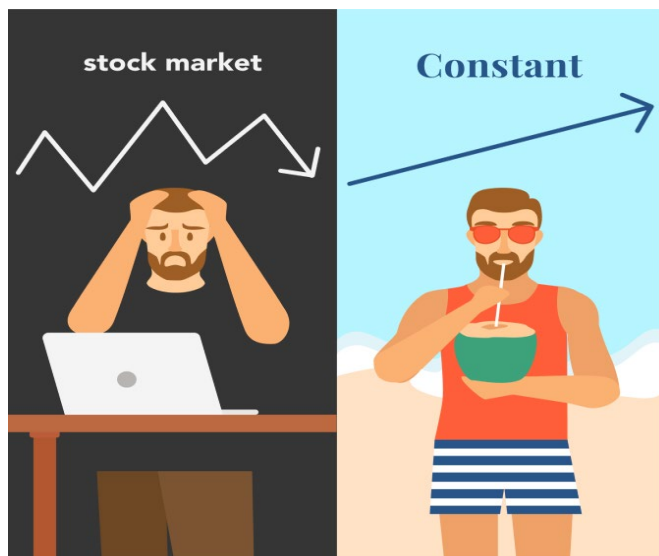
9. For all of these reasons, MyConstant’s advertisements referred to its Loan Matching Service as a “low effort” investment that was user-friendly for investors.

C. MyConstant’s Investors Reasonably Expected Profits Based on Huynh’s Efforts

10. Because Huynh managed and controlled all aspects of MyConstant and its Loan Matching Service, investors in the Loan Matching Service were dependent upon his efforts in managing MyConstant’s loan portfolio to realize any return on their investment.

11. MyConstant’s investors were attracted to its Loan Matching Service because of the advertised above-market interest rates of up to 10% and short loan durations ranging from 30 to 240 days. MyConstant’s website promoted this investment product by saying that investors would “earn up to 20x better interest” than competing investments. MyConstant’s returns for its Loan Matching Service fluctuated and, along these lines, MyConstant at times ran promotions that offered its investors higher interest rates for newly deposited funds. MyConstant’s website further stated that the company’s Loan Matching Service offered investors “Immediate Returns,” “Flexible Terms,” and “No Fees.”

12. To further entice investors, MyConstant’s online advertisements, like the one pictured below, portrayed its Loan Matching Service as superior to an investment in the stock market:



13. MyConstant’s advertisements claimed the Loan Matching Service as a way to earn a safe and consistent return by giving it the following descriptions: “Risk-free investment;” “100%

of our users have no loss;” and “low-risk.” MyConstant’s advertisements for its Loan Matching Service also frequently contained the slogan “Invest Wisely.” One particular MyConstant online advertisement for its Loan Matching Service stated “[y]ou’ve spotted the best secured returns on the market” and offered a “7%” return and provided a link, entitled “Invest Now,” to the MyConstant platform.

D. Huynh’s Misuse and Misappropriation of Loan Matching Service Investor Funds

14. Contrary to the above representations to investors, Huynh did not invest the majority of their funds in low-risk, short-term loans backed by collateral. Between December 30, 2021 and May 9, 2022, Huynh misused investor funds by purchasing in personal accounts at least \$11.9 million of UST. According to Huynh and MyConstant, they made this investment in an attempt to generate the 6% to 10% in annual returns that he represented to investors.

15. Following UST’s collapse in May 2022, the UST holding declined in value by approximately 66% or \$7,932,720 with Huynh returning the remaining investment principal to MyConstant.

16. Further, between September 2020 and April 2021, Huynh misappropriated another approximately \$415,000 in Loan Matching Service investor funds by transferring these funds outside the United States for his personal use.

E. Huynh Makes Additional Material Misrepresentations to Investors

17. To falsely assure investors of the safety of their funds and to incentivize them to reinvest in MyConstant, MyConstant emailed its investors periodic summaries that touted the success and popularity of its Loan Matching Service. For example, an October 3, 2022 email from MyConstant to an investor stated that “[t]his week, we matched 510 orders totaling [\$]1,418,727.85 USD with an average interest rate of 6.93%” and “[t]he biggest matched investment was [\$]100,000 USD at 6.00%.” These statements were false in that MyConstant had not made the loans represented in the email.

F. MyConstant’s Collapse and Efforts to Return Investor Funds

18. On November 17, 2022, MyConstant abruptly ceased operations, including customer withdrawals, and posted on its website:

Given the collapse of several cryptocurrencies so far this year and the rapidly deteriorating market conditions that have been prompting heavy withdrawals across all crypto lending and crypto exchange platforms recently, we are sad to inform you that we are unable to continue to operate our business as usual. As such, we are limiting our business activities, including pausing user withdrawals as allowed under our Terms of Service. No deposit or investment request will be processed at this time.

19. Since MyConstant closed its business, the company has returned approximately \$1.8 million to investors. MyConstant has also placed all of the company's assets, which are below \$10 million in value, into a trust for distribution to investors pursuant to a private action brought by them.

Violations

20. As a result of the conduct described above, Huynh violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in the offer or sale of securities and in connection with the purchase or sale of securities.

Disgorgement and Civil Penalties

The disgorgement and prejudgment interest ordered in paragraph IV.C is consistent with equitable principles and does not exceed Respondent's net profits from his violations and will be distributed to harmed investors, if feasible. The Commission will hold funds paid pursuant to paragraph IV.C in an account at the United States Treasury pending a decision whether the Commission in its discretion will seek to distribute funds. If a distribution is determined feasible and the Commission makes a distribution, upon approval of the distribution final accounting by the Commission, any amounts remaining that are infeasible to return to investors, and any amounts returned to the Commission in the future that are infeasible to return to investors, may be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Huynh's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 8A of the Securities Act and Section 21C of the Exchange Act, Respondent Huynh cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Pursuant to Section 8A of the Securities Act and Section 21C of the Exchange Act, Respondent Huynh be, and hereby is, barred from acting as an officer or director of any issuer that

has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

C. Respondent shall, within 14 days of the entry of this Order, pay disgorgement of \$8,347,720, prejudgment interest of \$1,521,311 and a civil monetary penalty in the amount of \$750,000 to the Securities and Exchange Commission. The Commission may distribute civil money penalties collected in this proceeding if, in its discretion, the Commission orders the establishment of a Fair Fund pursuant to 15 U.S.C. § 7246, Section 308(a) of the Sarbanes-Oxley Act of 2002. The Commission will hold funds paid pursuant to this paragraph in an account at the United States Treasury pending a decision whether the Commission, in its discretion, will seek to distribute funds or, transfer them to the general fund of the United States Treasury, subject to Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600, and if timely payment of the civil money payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Huynh as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Sheldon Pollock, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004-2616.

D. Regardless of whether the Commission in its discretion orders the creation of a Fair Fund for the penalties ordered in this proceeding, amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor

shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary